VZCZCXRO4336 OO RUEHAG RUEHDF RUEHIK RUEHLZ RUEHPOD RUEHROV RUEHSR DE RUEHC #7023/01 3372159 ZNR UUUUU ZZH O R 022150Z DEC 08 FM SECSTATE WASHDC TO EU MEMBER STATES COLLECTIVE IMMEDIATE INFO RUEHKI/AMEMBASSY KINSHASA 8842 RUEHAK/AMEMBASSY ANKARA 6474 RUCNDT/USMISSION USUN NEW YORK 4029 RUEHMO/AMEMBASSY MOSCOW 6383 RUEHTV/AMEMBASSY TEL AVIV 6488 RUEHIL/AMEMBASSY ISLAMABAD 7880 RUEHVJ/AMEMBASSY SARAJEVO 0307 RUEHVB/AMEMBASSY ZAGREB 1871 RUEHBW/AMEMBASSY BELGRADE 1236 RUEHSQ/AMEMBASSY SKOPJE 6150 RUEHTI/AMEMBASSY TIRANA 2424 RUEHPOD/AMEMBASSY PODGORICA 1569 RUEHPS/AMEMBASSY PRISTINA 4982

UNCLAS SECTION 01 OF 06 STATE 127023

SENSITIVE SIPDIS

E.O. 12958: N/A
TAGS: PREL PGOV ETRD EUN ZL IS PK CG TU
SUBJECT: APPROACHING THE EU IN ADVANCE OF THE DECEMBER
8-9 FOREIGN MINISTERS MEETING (GAERC)

- 11. (U) This is an action request. See paragraph 13.
- 12. (SBU) Summary: EU Foreign Ministers will hold their next General Affairs and External Relations Council (GAERC) meeting in Brussels December 8-9. We expect the formal agenda to include: Israeli-Palestinian peace process, Democratic Republic of the Congo, Western Balkans and EU enlargement, Pakistan, and WTO/Doha Round. A background section covering some of these issues is provided prior to a section containing talking points. Talking Points only are to be delivered as soon as possible at the appropriate level to EU members only. Other posts should not/not deliver these points. Posts are requested to include the SIPDIS caption on their response cables and to reference this cable. End Summary.

BACKGROUND

WESTERN BALKANS

### BOSNIA AND HERZEGOVINA

13. (SBU) The November 8 Prud/Odzak Agreement between RS Prime Minister and SNSD Party President Milorad Dodik (Serb), SDA Party President Sulejman Tihic (Bosniak) and HDZ Party President Dragan Covic (Croat) that lays out a common approach to several critical issues is welcome, but needs to be put in to concrete form to break through the political impasse and to meet the outstanding "5+2' closure objectives and conditions for the Office of the High Representative (OHR). We want to be in a position to make a decision on OHR closure at the next meeting of the Peace Implementation Council (PIC) in March 2009, but this will require completion of the 5+2 agenda. We are particularly concerned about a durable solution on Brcko District by March, as the Prud/Odzak proposal for a "constitutional law" may not be viable. Prime Minister Dodik's anti-State efforts continue, including his refusal to comply with a request for information from the State Prosecutors office and recent threats to file suit against international community and Bosnian officials in the context of the document request. also remain concerned about President Silajdzic's radical anti-RS agenda.

- 4.(SBU) Turkey and the European Union signed an Association agreement in September 1964 aimed at bringing Turkey into the customs union and eventual membership. The United States strongly supports Turkey's aspirations to join the EU.
- 15. (SBU) The GOT has struggled to implement needed reforms. The EU has also been internally deadlocked over Turkish accession issues by Cyprus, as well as by objections of other members like France and Austria. In November 2006, the European Commission ordered the suspension of eight of the 32 chapters of the EU's "Acquis", or body of EU laws, until Turkey meets obligations to open ports in Turkey to Republic of Cyprus ships and aircraft. Turkey has said it will do so only in conjunction with the EU opening of commercial access (i.e., direct trade) for Turkish Cypriot goods and people. Greek and Turkish Cypriots commenced talks in September 2008 and, if they can reach a reunification settlement in early 2009, Turkey's accession progress could accelerate significantly.
- 16. (SBU) In the November 2008 annual accession report, the Commission noted negotiations had "moved forward over the reporting period." The Commission cautioned

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that progress had been limited because of the Constitutional Court case against the governing party and called on Turkey to "reinvigorate" the process of political reform. The report again stressed the EU's view of the PKK as a terrorist organization.

17. (SBU) In June 2008, the EU opened two new chapters in its negotiations with Turkey: Chapter 6 - Company Law and Chapter 7 - Intellectual Property Law. During an October U.S. " EU troika meeting, the French EU Presidency restated its commitment to keep pace on opening two chapters each Presidency and reached agreement with Turkey in November to open Chapter 4" Free Movement of Capital. Since the start of EU-Turkey negotiations in 2006, nine chapters out of 35 have been opened and only one has been provisionally closed.

# DEMOCRATIC REPUBLIC OF THE CONGO (DRC)

18. (SBU) The situation in the eastern DRC has continued to deteriorate despite repeated calls for cease-fires and the opening up of humanitarian zones that would allow access to the hundreds of thousands of internally displaced persons (IDPs) who have been fleeing the fighting. UN Secretary-General Ban Ki-moon recently named former Nigerian President Olusegun Obasanjo as the UN Special Envoy for the eastern DRC. President Obasanjo is now leading the international diplomatic effort to bring peace to the DRC, in tandem with former Tanzanian President Benjamin Nkapa, representing the International Conference of the Great Lakes Region. UN Security Council voted on November 20 to increase by nearly 3,000 the troop ceiling of the UN Mission in the DRC (MONUC) to help restore peace and stability to the region, particularly the DRC's North Kivu province. UN Department of Peacekeeping Operations (DPKO) is now looking for countries to contribute troops to this expanded MONUC force. Both the European Union and the Southern African Development Community (SADC) have discussed a possible multi-national force to complement MONUC, but thus far no such force has been realized.

## PAKISTAN

19. (SBU) Some European officials have expressed pessimism over President Zardari's leadership of Pakistan. We take a more optimistic view, noting

Zardari's ability to forge political consensus and lead Pakistan through the politically unpopular but necessary adoption of an IMF program. The \$7.6 billion IMF bailout, agreed Nov. 15, will help the country stabilize its economy and prevent Pakistan from defaulting on its foreign debt. But the economy is still in crisis, and Pakistan needs international support to implement the IMF program successfully. We hope the EU will take the lead among potential donors and pledge a significant assistance package that will provide a social safety net to those adversely affected by the difficult economic and financial reforms required by the IMF.

110. (SBU) The EU and several member states (the UK, France, Germany, and Italy) helped launch the "Friends of Democratic Pakistan" group at the ministerial level in September. The "Friends" group also includes the U.S., Pakistan, China, Saudi Arabia, the UAE, Turkey, Canada, Australia, Japan, and the UN. The Friends initiative is meant to catalyze political and economic support for the democratically-elected government of Pakistan, and will work to help the GoP achieve its counter-terrorism, border management, and economic development goals. The Friends of Pakistan will meet at the expert level in January.

#### WTO DOHA ROUND

111. (SBU) WTO Doha Round talks are at a critical juncture as negotiators continue to work toward a breakthrough in Agriculture and Non-Agricultural Market Access (NAMA). WTO Director General Lamy will hold

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green room meetings on a daily basis to discuss horizontal Agriculture and NAMA issues. Regarding a potential December ministerial meeting, Lamy has not set an official date, but did say that we have our marching orders from our Leaders. Lamy envisions that Ministers could meet during the December 10-19 window and that it would be a relatively short meeting unlike the meetings in July. Senior officials will continue to meet the week of November 24 to resolve difficult issues including the special safeguard mechanism, special products and NAMA sectorals. If progress is made in these areas, Ag Chair Falconer and NAMA Chair Wasescha may issue new texts in late November or early December.

112. (SBU) To date, we have not seen positive movements from the key players (India, Brazil and China) on providing critical market access, particularly with regard to the NAMA sectorals. On November 19, the National Association of Manufacturers (NAM), Coalition of Service Industries (CSI) and the American Farm Bureau Federation issued a letter to the President expressing strong concerns that a WTO Ministerial meeting should only be held when there is sufficient evidence that WTO members are truly committed to opening their markets. We have not seen this commitment. In fact, following the G-20 summit, several key WTO members (India, Brazil and Argentina) have announced their intent to raise tariffs on certain products.

13. (SBU) ACTION REQUEST: Please deliver the following points to the appropriate MFA official(s) as soon as possible (in advance of the December 8-9 GAERC).

BEGIN NON-PAPER TEXT

WESTERN BALKANS

### BOSNIA AND HERZEGOVINA

--We welcome the November 8 Prud/Odzak agreement, which provides the potential for breaking through the political stalemate and negative atmosphere that have

impeded progress in Bosnia for months. We welcome, in particular, the proposed compromise related to state and defense property -- a key OHR closure objective -- and on the census -- an EU partnership document requirement.

- --We are concerned, however, that the proposed "constitutional law" on Brcko is insufficient to meet the Peace Implementation Council's requirements for OHR closure. Over the next several weeks we will be pressing the Bosnians to come up with an acceptable solution on Brcko, as well as to translate the other elements of the Prud/Odzak agreement into concrete action.
- --The United States will support OHR closure next March only if the 5+2 conditions and objectives are met in full.
- --We are concerned by the RS government's continuing failure to comply fully and unconditionally with the State prosecutor's request of documentation and by threats to take legal action against certain international and Bosnian officials for performing their duties. These developments raise troubling questions about the RS government's commitment to uphold the rule of law. The RS needs to hear a consistent message from the international community regarding the need to cooperate with State law enforcement authorities and to respect the rule of law.

#### MACEDONIA

--Macedonia's Euro-Atlantic integration remains a key factor for regional stability. Integration can aid Macedonia in its pursuit of continued reforms and interethnic cooperation.

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- --Macedonia must work to ensure free, fair and peaceful presidential elections in March 2009 and address serious shortcomings made evident in elections in June 2008. Full implementation of ODIHR recommendations to prevent electoral misconduct, fraud, intimidation and violence next March is critical.
- --We continue to strongly support the Nimetz process for resolving the name issue and have encouraged Macedonia's leaders to exercise sound judgment and take a farreaching view based on the long-term interests of the country.
- --We were pleased with the findings of the European Commission's November 5 "enlargement package" and its recognition of Macedonia's good progress on judicial and police reform and continued consolidation of its multiethnic democracy. We hope that the EU will continue to remain clear and firm in its benchmarks for Macedonia's accession and not allow the dispute over its name to impact its progress towards the EU.

### CROATIA

--Croatia is a leader in the region and has been a strong proponent of Euro-Atlantic integration. We fully support Croatia's EU aspirations and agree with the Commission's findings that Zagreb needs to complete the return of refugees, implement the judicial reform strategy, settle property repossession claims and maintain good cooperation with the ICTY.

### EU ENLARGEMENT ? STOCK TAKING AND CONCLUSIONS ON TURKEY

--The United States continues to strongly support Turkey's candidacy for European Union Membership. While this is a decision for the EU, we have encouraged and

- will continue to encourage the EU and Turkey to reach this goal.
- --The U.S. continues to support UN efforts toward a bi-zonal, bi-communal federation in Cyprus. We urge the EU to fulfill its promise to ease the isolation of the Turkish Cypriots.
- --The U.S. encourages the EU to work with Turkey to update its counterterrorism legislation. We want to ensure that Turkey has the legal tools to stop facilitation in Turkey for terrorist activities that take place outside of Turkey and to stop terrorists traveling through Turkey.
- --The U.S. supports opening accession chapters on judicial reform and energy. We understand that the EU has asked Turkey to focus on judicial reforms in the wake of the closure case against the ruling AKP party.

#### ISRAELI-PALESTINIAN PEACE

- --Annapolis launched the first substantive negotiations in nearly a decade.
- --The absence of public agreements or a flurry of press releases should not be mistaken for a lack of progress.
- --The Israeli-Palestinian conflict would not have endured for 60 years if the obstacles to peace were few and the solutions easily reached.
- --The framework for negotiating a final resolution of the conflict is before us: Determined, professional, confidential negotiations between the parties; consistent yet constructive international engagement; and a vigorous effort to improve conditions on the ground.
- --In their unprecedented November 9 briefing for the Quartet in Sharm El Sheikh, Israeli and Palestinian negotiator re-affirmed their commitment to ongoing,

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bilateral negotiations that address all issues and their goal of reaching a comprehensive peace.

- --They asked the international community to respect the mutually agreed principles for their negotiations, including that third parties should not intervene in the negotiations absent a joint request from the parties.
- --The negotiators also asked the international community to support their historic efforts by focusing on providing political and economic assistance to the legitimate Palestinian government, particularly with regard to security reform, institution building, and economic development.
- --The United States is committed to the negotiations, and there continues to be bipartisan support in the U.S. for sustaining the process launched at Annapolis. We have a national interest in the progress that has been made and in the conclusion of a final agreement.
- --President Bush's vision of a Palestinian state at peace with Israel will not come in a single dramatic moment, but rather as the result of a methodical, sincere commitment by the parties to conclude a lasting agreement that benefits both their people.

# DEMOCRATIC REPUBLIC OF THE CONGO (DRC)

--The United States welcomes and supports the appointments of President Obasanjo and President Nkapa to lead the international diplomatic efforts to resolve

the crisis in the eastern DRC.

- --Only dialogue will bring about peace between the DRC government and the rebel National Congress for the Defense of the People (CNDP) headed by Laurent Nkunda. The DRC military is incapable of defeating the CNDP militarily and we urge EU member states to pass this message consistently in their contacts with the GDRC.
- --The Congolese government must also work closely with MONUC to take action against the Democratic Forces for the Liberation of Rwanda (FDLR), which continues to operate with impunity in the eastern DRC, and which is one of the underlying causes of the current crisis. The U.S. has begun deployment of a Military Information Support Team (MIST) to the region to work with the Congolese government to undermine the FDLR.
- --The United States is pleased that the Security Council voted in favor of a 3,000-person troop increase for MONUC and encourages all countries to consider contributing forces to this effort.
- --In addition, the United States would welcome the formation of a European multi-national force to work alongside MONUC to re-establish peace and security in the eastern DRC, so that humanitarian organizations can deliver much-needed assistance to the local populations.

#### PAKISTAN

- --We appreciate the EU's support for the Friends of Democratic Pakistan initiative.
- --We encourage EU member states and the European Commission to contribute more aid to Pakistan now that Pakistan has reached an agreement with the IMF.
- --We encourage better donor coordination on development projects.
- --We applaud Pakistan's counterinsurgency operations in Bajaur and Mohmand, and encourage continued action to oust militants from the area.
- --We commend Pakistan's improved relations with Afghanistan and India, as evidenced by President

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Karzai's attendance at President Zardari's swearing-in, and the recent opening of a transit-trade route between Pakistan and India. We encourage the GOP to continue these efforts, which will strengthen regional security and the regional economy.

--We encourage the EU to help fight instability in Pakistan's border regions by supporting a proposed international trust fund that would administer development and security projects in the North-West Frontier Province and the Federally-Administered Tribal Areas (FATA).

### WTO DOHA ROUND

- --The G-20 Declaration and APEC Leaders Statement reflected two key elements on which we must all focus: (1) Leaders made a significant concrete commitment to "do no harm," agreeing to a stand-still on measures that increase barriers to trade and investment. (2) Leaders gave a strong concrete boost toward achieving modalities in the Doha negotiations by the end of the year.
- --We need to give attention to both elements with  $\operatorname{urgency}$ .
- -- The U.S. remains committed to working to achieve

modalities in agriculture and non-agricultural market access (NAMA) by the end of the year if at all possible.

--We must redouble our efforts to follow-up on the Doha political commitments with real showings of flexibility and contributions to ensure a modalities package this year that will ensure that the negotiations ultimately yield meaningful new trade flows and economic opportunity.

#### If Raised on Ministerial:

--The key preparatory work on convergences needed to achieve Agriculture and NAMA modalities this year is ongoing. We must reach convergence on many key issues before a date can be established.

### If Raised on tariff increases:

- --On the trade pledge, we already have signs that India, Brazil and Argentina may be turning away from their commitment.
- --We cannot allow this movement on tariffs to take hold and each of us needs to shine a spotlight on these tariff-raising actions, taken immediately after leaders had pledged and agreed not to do so.

END NON-PAPER TEXT RICE